

The Senate Education and Youth Committee offered the following substitute to HB 962:

A BILL TO BE ENTITLED
AN ACT

To amend Article 3 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to local boards of education, so as to require public notice of a budget deficit or irregularities within three business days; to require notification of the superintendent of budget deficits identified at the local level; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 3 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, relating to local boards of education, is amended by revising Code Section 20-2-67, relating to local school system or school subject to corrective action plan for budget deficit, as follows:

"20-2-67.

(a) When an audit by the Department of Audits and Accounts finds and reports irregularities or budget deficits in the fund accounting information regarding a local school system or a school within the local school system, the Department of Audits and Accounts shall report the findings of irregularities or budget deficits to the State Board of Education and the local board of education.

(b) The State Board of Education shall inform the superintendent of the local school system of the irregularities or budget deficits regarding a local school system's or a school's fund accounting information. Within three business days of notice to the superintendent of the irregularities or budget deficits, the superintendent and the chairperson of the local board shall cause to be published in the official county organ and a newspaper having the largest general circulation in the county or municipality in which the local school system is located once a week for two consecutive weeks a notice of such irregularities or budget deficits; provided, however, that such notice shall not be placed in the section of the newspaper where legal notices appear. The superintendent shall submit to the Department of Education a response to the findings and a corrective action plan as

defined by rules and regulations adopted by the State Board of Education designed to correct the ~~financial~~ irregularities or budget deficits for the school or school system. From the time such irregularity or budget deficit is discovered until the time it is eliminated, the local school superintendent shall present to each member of the local board of education for his or her review and written acknowledgment a monthly report containing all anticipated expenditures by budget function for such school or school system during the current month. The report shall be presented to local board members on or before the tenth business day of each month. Each monthly report shall be signed by each member of that local board and recorded and retained in the minutes of the meeting of the local board of education.

(c) Not later than September 30 of the year, each local board of education shall cause to be published in ~~the official county organ wherein~~ the official county organ and a newspaper having the largest general circulation in the county or municipality in which the local school system is located once a week for two weeks a statement of actual financial operations for such schools or school system identified by the Department of Audits and Accounts as having ~~financial~~ irregularities; provided, however, that such notice shall not be placed in the section of the newspaper where legal notices appear. Such statement of actual financial operations shall be in a form to be specified and prescribed by the state auditor for the purpose of indicating the current financial status of the schools or school system. Prior to publication, such form shall be executed by the local board of education and signed by each member of said board and the local school superintendent.

(d) A copy of the actual financial operations form required to be published by subsection (c) of this Code section shall be mailed by each local board of education to the Department of Education and the local county board of commissioners or local municipal governing authority. A current copy of said form shall be maintained on file in the central administrative office of the local school system for public inspection for a period of at least two years from the date of its publication. Copies of the statement shall be made available on request."

SECTION 2.

Said article is further amended by adding a new Code section to read as follows:

"20-2-67.1.

In the event the chief financial officer or other person acting in that capacity of any local school system becomes aware of an unapproved budget deficit regarding a local school system's or a school's fund accounting information at the local level, such person shall inform the superintendent of that local school system within three business days of such deficit. Within three business days of notice to the superintendent of the unapproved

1 budget deficit, the superintendent and the chairperson of the local board shall cause to be
2 published in the official county organ and a newspaper having the largest general
3 circulation in the county or municipality in which the local school system is located once
4 a week for two consecutive weeks a notice of such budget deficit; provided, however, that
5 such notice shall not be placed in the section of the newspaper where legal notices appear."

6 **SECTION 3.**

7 All laws and parts of laws in conflict with this Act are repealed.